



## CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve Recommendation by America West Airlines for Air Service Pledges from Stockton Metropolitan Airport

**MEETING DATE:** May 17, 2000

**PREPARED BY:** Deputy City Manager

**RECOMMENDATION:** That Council commit to pre-purchase America West Airlines Air Service Pledges in the amount of \$10,000 for use over three years conditioned upon their bringing air service to the Stockton Metropolitan Airport.

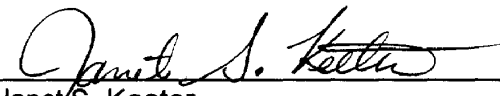
**BACKGROUND INFORMATION:** Dan DeAngelis, Stockton Metropolitan Airport Manager, contacted the City of Lodi requesting participation in a drive by America West Airlines for the purchase of up-front travel credits (Air Service Pledges). America West is proposing to bring passenger jet service to Stockton, with service initially to Phoenix, Arizona and soon after to Las Vegas, Nevada. America West is asking businesses and individuals, both private and public, to demonstrate their support for this local market expansion, by purchasing Air Service Pledges. In speaking with Dan DeAngelis, America West has committed to at least match the fares out of Sacramento when establishing fares for those using the travel credits out of the Stockton Metropolitan Airport.

Several cities and other agencies have committed to purchasing Air Service Pledges including the cities of Ripon (\$10,000), Stockton (\$40,000), and Modesto (\$25,000) in addition to the Stockton Port (\$40,000), and the San Joaquin County Board of Supervisors (\$100,00). The travel credits would have to be purchased by July 15, 2000 and can be used beginning August 1, 2000 on any flights served by America West regardless of whether it is to or from the Stockton Metropolitan Airport.

The City of Lodi's commitment would not be a net new cost to the budget as departments currently budget for their travel. As an example, during fiscal year 1998/99, the City expended \$23,723 in airfare costs. Attached for Council's information is a list of questions and answers regarding the America West Travel account cards proposal.

**FUNDING:** Current budget

Respectfully submitted,

  
Janet S. Keeter  
Deputy City Manager

Attachment

Approved:

  
H. Dixon Flynn, City Manager

## QUESTIONS AND ANSWERS ABOUT AMERICA WEST TRAVEL ACCOUNT CARDS

*What are the Travel Account Cards?*

The prepaid Travel Account Cards entitle users to transportation on America West's regularly scheduled passenger and cargo service at any location. The Cards are also valid for connecting flights on Continental Airlines displaying the America West Code (HP).

*The Travel Account Cards must be prepaid?*

Yes. America West is asking local companies to purchase the Cards, which will then be valid for three years.

*How do the Travel Account Cards work?*

First, participating companies or individuals sign an Air Service Pledge form and subsequently receive a "Travel Agreement" from America West. After you pay your pledge, you will receive the Card and instructions on how to use it. You will receive a monthly printout from America West detailing your use and your remaining credit.

*By when must the pledge be signed?*

Air Service Pledges are due by April 14, 2000.

*Must the entire pledge amount be paid up front?*

Yes, by July 15, 2000.

*What happens if I do not use the entire amount by the end of three years?*

Unused credit will be converted to America West travel vouchers.

*Can someone else use my credit, e.g., a family member or employee?*

Yes, as long as you approve the use. Only the account number is needed to buy tickets.

*Can the Travel Account Card be used at other airports?*

Yes. It can be used at any airport served by America West.

*Can I get frequent flyer miles when I use the Card? And, can I use a major credit card to purchase it?*

Yes. And, yes.

*How do I use the Card?*

It's easy. Buy your tickets the same as any other transaction with all published fares and applicable restrictions. You simply give the account information from your Travel Account Card to debit your prepaid account.

*Can I make America West reservations through my travel agent?*

Yes.

*If America West does not actually start service at the Stockton Metropolitan Airport, will I get my money back?*

Yes. You would receive a full refund of your account balance.

*Will America West take pre-pays from travel agencies that could, in turn, sell tickets to their customers?*

Yes.

*Can I use the Travel Account Card in August, even though service in Stockton will not start until later this fall?*

Yes.

*Is the America West Airlines offer real?*

Yes!

*Why would America West Airlines want to come to the Stockton Metropolitan Airport now?*

America West is scheduled to take delivery of several new Canadair Regional Jets towards the end of the summer, and Stockton has become a candidate for service as part of the company's analysis of where these aircraft may be deployed most economically. Since September 1998 the America West Express fleet has grown from 16 to 36 aircraft, and a significant portion of that growth has been dedicated to new California markets. The population of San Joaquin and Stanislaus counties is increasing, retail sales are up, and effective buying income is increasing. We have become an attractive market!